

BEFORE THE
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

In the Matter of:

Spring Dale Post Office
Spring Dale, WV 25986

Docket No. A2012-68

UNITED STATES POSTAL SERVICE
COMMENTS REGARDING APPEAL
(January 11, 2012)

On November 14, 16, 18, 22, 29, and 30, 2011, the Postal Regulatory Commission (Commission) received six appeals from Angie Brown, Arlene Ingram, Paul McClung, Betty Puckett, Melissa Porter, and Gary Walker (collectively, "Petitioners") objecting to the discontinuance of the Post Office at Spring Dale, West Virginia.¹ On November 29, 2011, the Commission issued a Form 56, Notice of Filing under 39 U.S.C. § 404(d). On November 30, 2011, the Commission issued Order No. 1010, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). The administrative record was filed with the Commission on November 29, 2011. Additional material was filed with the Commission on December 13, 2011. Petitioner McClung filed an initial brief on December 19, 2011. The following is the Postal Service's brief in support of its decision to discontinue the Spring Dale Post Office.

The appeals received by the Commission generally raise five main issues: (1) the impact upon the Spring Dale community, (2) provision of effective and regular postal services, (3) economic savings, (4) employment, and (5) compliance with required

¹ This discontinuance was conducted pursuant to Handbook PO-101, dated August 2004, and updated with Postal Bulletin revisions through August 2, 2007.

discontinuance procedures. As reflected in the administrative record of this proceeding, the Postal Service gave these issues serious consideration. In addition, consistent with the Postal Service's statutory obligations and Commission precedent,² the Postal Service gave consideration to a number of other issues, including the impact upon current postal employees. Accordingly, the determination to discontinue the Spring Dale Post Office should be affirmed.

Background

The Final Determination to Close the Spring Dale, WV Post Office and Extend Service by rural route service,³ as well as the administrative record, indicates that the Spring Dale Post Office provides EAS-11 level service to 88 Post Office Box customers and no other delivery customers.⁴ The Postmaster of the Spring Dale Post Office retired on May 31, 2009. A temporary officer-in-charge (OIC) was installed to operate the office.⁵

The average number of daily retail window transactions at the Spring Dale Post Office is 30, accounting for 32 minutes of retail workload daily.⁶ Revenue has been declining over the last few years: \$20,233.00 in FY 2008 (53 revenue units); \$18,043.00 in FY 2009 (43 revenue units); and \$17,698.00 in FY 2010 (46 revenue units).⁷ The

² See 39 U.S.C. § 404(d)(2)(A).

³ As identified in Item 17, rural route service is the replacement service for the Spring Dale Post Office. Mention of highway contract route elsewhere in the administrative record is in error. The FD correctly identifies the replacement cost for rural carrier. As the record indicates at Item 17 and in the FD, replacement service calculations are based on a rural route service and that is the correct designation.

⁴ Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"). In these comments, specific items in the administrative record are referred to as "Item ____."

⁵ FD at 2; Proposal at 2; Fact Sheet.

⁶ *Id.*; see FD at 1.

⁷ *Id.*

Spring Dale Post Office has no permit customers.⁸ Upon implementation of the final determination, delivery and retail services will be provided and administered by the Meadow Bridge Post Office, an EAS-15 level office located approximately 4 miles away, which has 58 available Post Office Boxes.⁹ This service will continue upon implementation of the Final Determination.¹⁰

The Postal Service followed the proper procedures that led to the posting of the Final Determination. Issues raised by the customers of the Spring Dale Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and Final Determination, customers received notice through other means. Questionnaires were distributed to delivery customers of the Spring Dale Post Office. Questionnaires were also available over the counter for retail customers at the Spring Dale Post Office.¹¹ A letter from the Manager of Post Office Operations (Charleston, WV) was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Spring Dale Post Office was warranted, and that effective and regular service could be provided through carrier service and retail services available at the Meadow Bridge Post Office.¹² The letter invited customers to complete and return a customer questionnaire and to express their

⁸ *Id.*

⁹ *Id.*; The Administrative Record at Item 4 indicates that the distance is 5.6 miles away. However, several mapping services, including Google Maps and the Postal Service's own website, locate the Meadow Bridge Post Office under four miles away from the Spring Dale Post Office, and this distance is recorded in the FD at 1.

¹⁰ FD at 2.

¹¹ FD at 2; Item No. 20, Questionnaire Instruction Letter to Postmaster/OIC; Proposal at 2.

¹² Item No. 21, Cover Letter, Questionnaire, and Enclosure, at 1.

opinions about the service they were receiving and the effects of a possible change involving carrier service.¹³ The returned customer questionnaires appear in the administrative record in Item No. 22. In addition, representatives from the Postal Service were available at the Spring Dale Post Office for a community meeting on April 6, 2011, to answer questions and provide information to customers.¹⁴

Customers received formal notice of the Proposal and Final Determination through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Spring Dale and Meadow Bridge Post Offices from May 13, 2011, to July 14, 2011.¹⁵ The Final Determination was posted at the Spring Dale and Meadow Bridge Post Offices starting on October 21, 2011, as confirmed by the round-dated Final Determination cover sheets that appear in the administrative record.

In light of the postmaster vacancy, minimal workload, declining revenue, the variety of delivery and retail options (including the convenience of rural route service and retail service), the projected population decline in the area, minimal impact upon the community, and the expected financial savings, the Postal Service issued the Final Determination.¹⁶ Regular and effective postal services will continue to be provided to the Spring Dale community in a cost-effective manner upon implementation of the final determination.

¹³ *Id.*

¹⁴ *Id.*; FD at 2; Item No. 24, Community Meeting Roster; Item No. 25, Community Meeting Analysis; Proposal at 2. As noted in footnote 1, this discontinuance was conducted in accordance with the version of Handbook PO-101 that was in effect at the time, before revisions made during 2011 took effect.

¹⁵ FD at 2; Proposal at 1, 7. The Meadow Bridge Post Office is not a candidate facility within the Retail Access Optimization Initiative (RAOI). See USPS Library Reference USPS-LR-N2011-1/11, "RAO Candidate Facilities No Longer Under Consideration for Discontinuance Review," Docket No. N2011-1, September 21, 2011, at <http://www.prc.gov/Docs/75/75971/LR.11.Sept.21.pdf>.

¹⁶ See notes 3 through 9 and accompanying text; FD at 2-7; Proposal at 2-7; Item No. 16, Community Survey Sheet, at 2; Item No. 17, Alternate Service Options/Cost Analysis; Fact Sheet.

The issues raised by the Petitioner are addressed in the following paragraphs.

Effect on Postal Services

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered extensively the effect of closing the Spring Dale Post Office on postal services provided to Spring Dale customers. The closing is premised upon providing regular and effective postal services to Spring Dale customers through carrier service under the administrative responsibility of the Meadow Bridge Post Office, an EAS- 15 level office that offers Post Office Box services and is located approximately four miles away.

In their Participant Statements, Petitioners raise the issue of the effect on postal services of the Spring Dale Post Office's closing, noting the convenience of the Spring Dale Post Office and requesting its retention. Petitioners also express concern about traveling to other Post Offices in inclement conditions. The Petitioners also question the effect of the closing of the Spring Dale Post Office on the shipping of packages, receipt of accountable mail, and purchasing of special services. Each of these concerns was considered by the Postal Service.

When this final determination is implemented, customers will have full service available to them via rural carrier, which will provide both retail and delivery services. Customers may also opt for service at the Meadow Bridge Post Office, which is an EAS 15 level office operating six days a week, and which is near the current Spring Dale

Post Office. There are 58 Post Office Boxes available at Meadow Bridge.¹⁷

Additionally, customers can receive access to available Post Office Boxes at the nearby Rainelle Post Office.¹⁸

Petitioners also expressed concern about travel to the Meadow Bridge Post Office. Customers, however, will not be required to travel to another Post Office to receive or obtain delivery and most retail services. Many of these services will be provided by the carrier to a roadside mailbox located close to customers' residences. In hardship cases, delivery can be made to the home of the customer. Changes in the type of delivery are considered where service by existing methods would pose an extreme physical hardship for an individual customer. Such requests can be submitted in writing to the Meadow Bridge Postmaster. Although the Post Office is considering adding street delivery for customers who may not have had it available in the past, customers that receive Post Office Box service can choose to continue Post Office Box service at the Meadow Bridge Post Office, if they prefer. Retail services provided at the Post Office are available from the carrier.¹⁹

As explained in the administrative record, most transactions do not require meeting the carrier at the mailbox. Stamps by Mail and Money Order applications are available for customer convenience. Special services such as certified, registered, and Express Mail may be obtained from the carrier by leaving a note in the mailbox along

¹⁷ FD at 2; Proposal at 2.

¹⁸ FD at 5, 6; Proposal at 5, 6.

¹⁹ FD at 1-14.

with the appropriate payment. The carrier will provide the services that day and leave a customer receipt in the mailbox the very next day.²⁰

The effect of closing the Spring Dale Post Office on the shipping of packages was also given extensive consideration by the Postal Service.²¹ Various options exist for the shipping of packages, which are explained on www.usps.com. If Internet access is available, the Postal Service's Click-N-Ship® service enables customers to print shipping labels with postage for Express Mail and Priority Mail. Carrier Pickup service allows for scheduling the pickup of packages at the same time the carrier delivers the mail.²² In addition, the carrier will accept any letters or packages for mailing. If postage is not already affixed to the items, the carrier will estimate the cost and provide a receipt for any money received. On the following day, the carrier will provide change or a bill for the amount over the estimate.

With respect to Petitioners' concerns about the receipt of accountable mail and parcels, the Postal Service explained that if a customer lives less than one-half mile from the line of travel, the carrier will attempt delivery of accountable items to the customer's residence. If the customer lives over one-half mile away or is not home when delivery is attempted, a notice will be left in the mailbox.²³ Attempted delivery items will be taken back to the administrative Post Office. Customers may pick up the item at the Post Office, request redelivery on another day or authorize delivery to

²⁰ FD at 1-12.

²¹ *Id.*

²² *Id.*

²³ FD 4-10.

another party.²⁴ In addition, in hardship cases, where it is difficult for a customer to travel to the Post Office or access a secure mailbox on the side of the road, delivery can be made to the customers' residences. Changes in type of delivery are considered where service by existing methods would impose an extreme physical hardship for an individual customer.²⁵

With regard to security concerns, the Postal Service researched this risk with the Postal Inspection Service and received no reports of mail theft or vandalism in the area.²⁶ The Postal Service also queried the Fayette County Sheriff's Office and received an indication that no recent complaints had been logged regarding the Spring Dale Post Office.²⁷ Customers were advised that they can put a lock on their mailbox as long as the slot is large enough to accommodate their normal mail volume, and that customers can place a note in their mailboxes instructing the carrier to sound the horn upon arrival in order to conduct financial transactions.²⁸

Thus, the Postal Service has properly concluded that all Spring Dale customers will continue to receive regular and effective service via carrier service and the nearby Meadow Bridge Post Office.

Effect Upon the Spring Dale Community

The Postal Service is obligated to consider the effect of its decision to close the Spring Dale Post Office upon the Spring Dale community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute

²⁴ FD at 2-14.

²⁵ FD at 5-14.

²⁶ Item No. 14, Inspection Service/Local Law Enforcement Vandalism Report, at 1.

²⁷ *Id.* at 2.

²⁸ FD at 2; Proposal at 2.

recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Spring Dale is an unincorporated rural community located in Fayette County. The Fayette County Sheriff's Office and West Virginia State Police provide police protection, with fire protection provided by the Meadow Bridge and Rainelle Fire Departments.²⁹ The questionnaires completed by Spring Dale customers indicate that, in general, the retirees, self-employed persons, commuters, and others who reside in Spring Dale may travel elsewhere for work and for other supplies and services.³⁰

The Petitioners' letters of appeal raise the issue of the effect of the closing of the Spring Dale Post Office upon the Spring Dale community. This issue was extensively considered by the Postal Service, as reflected in the administrative record.³¹ The Postal Service explained that a community's identity derives from the interest and vitality of its residents and their use of its name.³² The record makes clear that the Postal Service is addressing this concern through preservation of the community identity by continuing the use of the Spring Dale name and ZIP Code in addresses.³³

In addition, the Postal Service has concluded that nonpostal services, and the information center typically provided by the Spring Dale Post Office, can be provided by

²⁹ FD at 12; Proposal at 12; Item No. 16, Community Survey Sheet.

³⁰ FD at 12; Proposal at 12; *see generally* Item No. 22, Returned Customer Questionnaires and Postal Service Response Letters.

³¹ FD at 12-13; Proposal at 12-13.

³² FD at 12; Proposal at 12.

³³ *Id.*

the nearby Meadow Bridge Post Office.³⁴ Government forms usually provided by the Post Office are also available by contacting local government agencies.³⁵

Petitioners also express concern regarding a loss of a community center and a way to check on neighbors and seniors. While the Post Office may serve alternative functions in practice, the Postal Service's mandate is to provide each community with regular and effective service; however, this concern must be balanced with Congressional mandates that the Postal Service execute its mission efficiently and economically. See sections 101(a); 403(a), (b)(1) and (b)(3); 404(d)(2) and 3661(a). The proposed alternative delivery service will meet the mailing and service needs of the community in a more cost-effective and equally capable manner.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Spring Dale Post Office on the community served by the Spring Dale Post Office.

Economic Savings

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that extending carrier service would cost the Postal Service substantially less than maintaining the Spring Dale Post Office and would still provide regular and effective service.³⁶ The estimated annual savings associated with discontinuing the Spring Dale Post Office are \$51,936.00.³⁷

³⁴ *Id.*

³⁵ *Id.*

³⁶ FD at 13-14; Proposal at 14.

³⁷ *Id.*

Petitioners make several claims regarding cost estimates, the level of the facility, viable alternative options, and miscalculation of potential fringe benefits for future Postal Service employees. Petitioners, however, provide no evidence of expertise in any of the fields or estimates calculated by them, nor do they provide any separate verification of their estimates. This is in contradistinction to the Postal Services' methodical development of the evidence through a sustained period of time and under direction of systematic procedures. Further, even under the most extreme assumptions of Petitioners, the calculations they provide maintain that the proposed alternative carrier service would save the Postal Service thousands of dollars a year.³⁸ Thus, the conclusion that replacement service by rural route service would lead to significant savings is sound.

Economic factors are some of several factors that the Postal Service considered, and economic savings have been calculated as required for discontinuance studies, which is noted throughout the administrative record, consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iv).³⁹

Effect on Employees

As documented in the record, the impact on postal employees is minimal. The permanent postmaster position has been vacant since May 31, 2009. The office is currently staffed by an officer-in-charge (OIC).⁴⁰ The record shows that no other employee would be affected by this closing.⁴¹

³⁸ See AR; FD at 3, 7-13. See McClung Brief at 2.

³⁹ *Id.*

⁴⁰ FD at 2, 13.

⁴¹ *Id.*

The Petitioners express concern about loss of employment in the community. The Postal Service understands and is sympathetic to this concern, but is also charged with responsibility to promote efficiency of operations. Consequently, this concern does not outweigh the other considerations cited in support of the FD.

Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Spring Dale Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

Procedural Issues

Petitioners make several claims with respect to the Postal Service meeting its required discontinuance responsibilities and procedures.

Petitioners question the consistency of this proposal with statutory authority in Title 39 providing that no small Post Office may be closed solely for operating at a deficit. Here, however, a variety of factors inform the decision to discontinue the Spring Dale Post Office, including a postmaster vacancy, minimal workload, declining office revenue, the variety of delivery and retail options (including the convenience of rural route service and retail service), very little projected growth in the area, minimal impact upon the community, and the expected financial savings. Pursuant to 39 U.S.C. § 404(d)(2)(A)(iii), the Postal Service, in determining whether to close a Post Office, must consider whether such closing is consistent with the policy that the Postal Service provide “a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining.” In this case,

the Postal Service analyzed, among other factors, the Spring Dale Post Office's workload and revenue. The consideration of an office's workload and revenue is not inconsistent with the policies of Title 39, however, because analysis of workload and revenue does not imply that a small Post Office is operating at a deficit. The Postal Service then analyzed whether a maximum degree of effective and regular postal services to the area and community could be provided with rural delivery service in the absence of the Post Office, and the answer was affirmative.

Petitioners raise procedural and process concerns, including claims that not all customers were surveyed, the transaction survey form was not fair,⁴² question #3 in the discontinuance questionnaire was confusing, postal officials failed to respond to the community concerns, the community meeting was set an inconvenient time, and the determination close the Spring Dale Post Office was predetermined. Other than Petitioners' conclusory statements, there is no indication in the record of a lack of proper process or procedure. As the Administrative Record indicates, procedures were correctly followed, existing standard forms were used for data collection, and questions and comments provided to the Postal Service under the discontinuance procedures were answered.⁴³ Questionnaires and optional comment forms were incorporated into the record before the final determination was issued. For each customer that

⁴² The survey is just a snapshot at a point in time. Sometimes, it will reflect normal activity, and sometimes it may reflect conditions that may affect business traffic, such as extremes in weather conditions that may suppress the figure, or a large gathering or event is held in a less populated area, that may increase the overall average. In any event, the daily number of transactions is not the sole factor informing this determination; it is merely one of many facts considered. Furthermore, the revenue trend at the Spring Dale Post Office is shows a clear downward trend, despite increases in rates, thereby enabling management to assess customer demand and usage on an annualized basis.

⁴³ FD at 2-14.

responded in a timely manner to the questionnaire, a response letter was mailed addressing the concerns of that customer. The Postal Service also hosted a community meeting⁴⁴ to further discuss the issues that brought in a full-capacity crowd. Customers' questions were addressed at the community meeting by the Postal Service representative. When an answer was not immediately known, the question was recorded and forwarded on to the Post Office Review Coordinator to answer those questions.⁴⁵ Notices were provided during the entire process, and the Proposal and Final Determination were posted for the requisite periods of time specified in postal regulations.⁴⁶ Local field personnel further could not even predetermine the outcome, because the final determination was approved at Headquarters upon review of the information compiled in the administrative record. Furthermore, when it was brought to the Postal Service's attention that a document was missing from the record, the Postal Service addressed this concern by responding directly to the customers and amending the record to reflect this oversight.⁴⁷

⁴⁴ The Postal Service notes that its internal regulations give local discontinuance coordinators flexibility in determining meeting times that encourage customer participation. See Handbook PO-101 § 251. No single time is ever consistent with all customer preferences; hours within an office's normal hours of operation generally suit customers who routinely visit that office, while inconveniencing customers who only occasionally visit the office, thereby conflicting with their work hours in many cases. Evening hours may suit the occasional customers, while inconveniencing regular customers. That is one reason why a discontinuance study process affords customers multiple avenues for providing their input: questionnaires, community meeting, written correspondence at any time, and if those opportunities do not suffice, then formal comments on a proposal posted for 60 days provide another means for submission of customer input.

⁴⁵ FD at 9.

⁴⁶ FD at 1-14; Items at 48, 49.

⁴⁷ United States Postal Service Notice of Supplemental Filing, PRC Docket No. A2012-68, December 13, 2011.

The Postal Service has made maximum effort in line with the procedural practice of Post Office closings in an effort to incorporate customers concerns and to provide transparency in this process.

Conclusion

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Spring Dale Post Office on the provision of postal services and on the Spring Dale community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Spring Dale customers. The Postal Service submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). Accordingly, the Postal Service respectfully requests that the determination to close the Spring Dale Post Office be affirmed.

Respectfully submitted,

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